

**UNITED STATES DISTRICT COURT
DISTRICT OF NEW JERSEY**

CREIGHTON TAKATA, Individually
and on behalf of all others similarly
situated,

Plaintiff,

v.

RIOT BLOCKCHAIN, INC. F/K/A,
BIOPTIX, INC., JOHN O'ROURKE,
JEFFREY G. MCGONEGAL, BARRY
HONIG, CATHERINE
DEFRANCESCO, MICHAEL
BEEGHLEY, JOHN STETSON, MARK
GROSSMAN, ANDREW KAPLAN,
MIKE DAI, JASON LES, and ERIC SO,

Defendants.

Civil No. 3:18-CV-02293(FLW)(TJB)

MOTION DATE: November 4, 2019

ORAL ARGUMENT REQUESTED

**DECLARATION OF THOMAS A. ZACCARO IN SUPPORT OF
DEFENDANTS' MOTIONS TO DISMISS THE CORRECTED
CONSOLIDATED AMENDED CLASS ACTION COMPLAINT FOR
VIOLATION OF THE FEDERAL SECURITIES LAWS**

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Attorneys for Defendants

*RIOT BLOCKCHAIN, INC., JOHN O'ROURKE, MICHAEL BEEGHLEY,
JEFFERY G. MCGONEGAL, ANDREW KAPLAN, JASON LES AND ERIC SO*

DECLARATION OF THOMAS A. ZACCARO

I, Thomas A. Zaccaro, declare and state as follows:

1. I am an attorney duly admitted to practice in the State of California and to appear before this Court *pro hac vice*. I am a partner in the firm of Paul Hastings LLP, counsel of record for Defendants Riot Blockchain (“Riot” or the “Company”), Michael Beeghley, John O’Rourke, Jeffery G. McGonegal, Andrew Kaplan, Jason Les, and Eric So (collectively, the “Defendants”) in the above-captioned matters. I make this declaration in support of the Defendants’ Request for Judicial Notice, filed in support of the Riot Blockchain Defendants’ and the Director Defendants’ separately filed Motions to Dismiss the Consolidated Shareholder Class Action Complaint.¹ I have personal knowledge of the facts stated herein and, if called upon to testify under oath, I could and would testify competently thereto.

2. Attached hereto as Exhibit “A” is a true and correct copy of Riot’s February 5, 2019 Press Release that was attached as Exhibit 99.1 to the Company’s February 11, 2019 Form 8-K filed with the Securities and Exchange Commission (“SEC”), as obtained by my office from the SEC’s publicly available EDGAR website at

¹ The “Riot Blockchain Defendants” refer to Riot and Messrs. O’Rourke, McGonegal, and Beeghley. The “Director Defendants” refer to Messrs. Kaplan, Les, and So.

<https://www.sec.gov/Archives/edgar/data/1167419/000107997319000073/ex99x1.htm>.

3. Attached hereto as Exhibit “B” is a true and correct copy of Riot’s October 3, 2017 Press Release, as obtained by my office from Riot’s publicly available website at <https://www.riotblockchain.com/news-media/press-releases/detail/9/bioptix-announces-special-cash-dividend>.

4. Attached hereto as Exhibit “C” are true and correct excerpts from Riot’s October 4, 2017 Form 8-K and Press Release that was attached as Exhibit 99.1 to the Form 8-K, filed with the SEC, as obtained by my office from the SEC’s publicly available EDGAR website at <https://www.sec.gov/Archives/edgar/data/1167419/000107997317000569/0001079973-17-000569-index.htm>.

5. Attached hereto as Exhibit “D” is a true and correct copy of Riot’s November 1, 2017 Form 8-K filed before the SEC, as obtained by my office from the SEC’s publicly available EDGAR website at https://www.sec.gov/Archives/edgar/data/1167419/000107997317000620/riot_8k.htm.

6. Attached hereto as Exhibit “E” is a true and correct copy of Riot’s November 16, 2017 Press Release that was attached as Exhibit 99.1 to the Company’s November 16, 2017 Form 8-K filed with the SEC, as obtained by my

office from the SEC's publicly available EDGAR website at <https://www.sec.gov/Archives/edgar/data/1167419/000107997317000682/ex99x1.htm>.

7. Attached hereto as Exhibit "F" is a true and correct copy of Riot's December 11, 2017 Press Release that was attached as Exhibit 99.1 to the Company's December 12, 2017 Form 8-K filed with the SEC, as obtained by my office from the SEC's publicly available EDGAR website at <https://www.sec.gov/Archives/edgar/data/1167419/000107997317000731/ex99x1.htm>.

8. Attached hereto as Exhibit "G" are relevant excerpts of a true and correct copy of Bioptix, Inc.'s Form S-3 (Amendment No. 3) filed on September 25, 2017 with the SEC, as obtained by my office from the SEC's publicly available EDGAR website at https://www.sec.gov/Archives/edgar/data/1167419/000107997317000555/bioptix_s3.htm.

9. Attached hereto as Exhibit "H" is a true and correct copy of Riot's historical stock prices during the alleged Class Period, which were compiled and obtained by my office from Yahoo! Finance's publicly available website at <https://finance.yahoo.com/quote/RIOT/>.

10. Attached hereto as Exhibit “I” are relevant excerpts of a true copy of Riot’s Form 10-K filed on April 17, 2018 with the SEC, as obtained by my office from the SEC’s publicly available EDGAR website at https://www.sec.gov/Archives/edgar/data/1167419/000107997318000264/riot_10k-123117.htm.

11. Attached hereto as Exhibit “J” is a true and correct copy of a chart comparing Riot’s stock prices with the price of Bitcoin during the alleged Class Period, which was created from Yahoo! Finance’s publicly available website.

12. Attached hereto as Exhibit “K” is a true and correct copy of Riot’s October 23, 2018 Press Release that was attached as Exhibit 99.1 to the Company’s October 23, 2018 Form 8-K filed before the SEC, as obtained by my office from the SEC’s publicly available EDGAR website at <https://www.sec.gov/Archives/edgar/data/1167419/000107997318000585/ex99x1.htm>.

13. Attached hereto as Exhibit “L” is a true and correct copy of the SEC’s July 12, 2019 Press Release as obtained by my office from the SEC’s publicly available website at <https://www.sec.gov/litigation/litreleases/2019/lr24529.htm>.

I declare under penalty of perjury under the laws of the United States that the foregoing is true and correct and that this declaration is executed on the 3rd day of September 2019, at Los Angeles, California.

A handwritten signature in blue ink, reading "Thomas A. Zaccaro", written over a horizontal line.

Thomas A. Zaccaro

EXHIBIT A

EXHIBIT A

EX-99.1 3 ex99x1.htm EXHIBIT 99.1

Exhibit 99.1

Riot Blockchain Announces Leadership Changes

CASTLE ROCK, CO / ACCESSWIRE / February 5, 2019 /

Riot Blockchain, Inc. (RIOT) (the "Company") today announced that its Board of Directors is implementing leadership and governance structure changes. Jeff McGonegal is being named Chief Executive Officer, replacing departing Chris Ensey, who had joined the Company in January 2018 as its Chief Operating Officer and had been appointed interim Chief Executive Officer, in September 2018. Jeffrey Vormittag, Chief Operating Officer of the Company's wholly owned subsidiary, Riot Blockchain Canada Inc. will also be leaving the company. The Board wishes to thank Mr. Ensey and Mr. Vormittag for their past efforts and wishes them well in their future endeavors.

Jeff McGonegal's career has spanned over forty years in senior leadership roles working primarily with public entities assisting them with financing, merger and acquisition transactions. Mr. McGonegal had previously served as the Company's long time Chief Financial Officer until April 2018 and subsequently had been assisting Riot Blockchain in a consulting role.

In addition, the Company also announced changes to its Board Committee structure with the Nominating Committee and the Governance Committee being re-combined into one Committee. The Investment and Strategy Committee formed in September 2018, has been disbanded with the objectives of this Committee now being undertaken by the full Board of Directors. These changes are designed to make the Board more effective and reduce costs.

Riot Blockchain's Board of Directors is very focused on delivering value for the Company's shareholders and believes that a new streamlined leadership structure is critical to achieving success, while also achieving cost reductions.

About Riot Blockchain

Riot Blockchain is focused on building, operating, and supporting blockchain technologies. Its primary operations consist of cryptocurrency mining, targeted development of exchange and mining pool platforms, along with other investments within the sector. For more information, visit: <http://www.RiotBlockchain.com/>.

Investor Notice

Investing in our securities involves a high degree of risk. Before making an investment decision, you should carefully consider the risks, uncertainties and forward-looking statements described under "Risk Factors" in Item 1A of our most recent Form 10-K for the fiscal year ended December 31, 2017 filed with the Securities and Exchange Commission (the "SEC") on April 17, 2018, as amended on Form 10-K/A on April 30, 2018 and June 29, 2018, and in periodic and current reports we file with the SEC. If any of these risks were to occur, our business, financial condition or results of operations would likely suffer. In that event, the value of our securities could decline, and you could lose part or all of your investment. The risks and uncertainties we describe are not the only ones facing us. Additional risks not presently known to us or that we currently deem immaterial may also impair our business operations. In addition, our past financial performance may not be a reliable indicator of future performance, and historical trends should not be used to anticipate results in the future. See "Safe Harbor" below.

Safe Harbor

The information provided in this press release may include forward-looking statements relating to future events or the future financial performance of the Company. Because such statements are subject to risks and uncertainties, actual results may differ materially from those expressed or implied by such forward-looking statements. Words such as "anticipates," "plans," "expects," "intends," "will," "potential," "hope" and similar expressions are intended to identify forward-looking statements. These forward-looking statements are based upon current expectations of the Company and involve

assumptions that may never materialize or may prove to be incorrect. Actual results and the timing of events could differ materially from those anticipated in such forward-looking statements as a result of various risks and uncertainties. Detailed information regarding factors that may cause actual results to differ materially from the results expressed or implied by statements in this press release relating to the Company may be found in the Company's periodic and current filings with the Securities and Exchange Commission, including the factors described in the sections entitled "Risk Factors", copies of which may be obtained from the SEC's website at www.sec.gov. The Company does not undertake any obligation to update forward-looking statements contained in this press release.

Media Contact:

PR@RiotBlockchain.com

Investor Contact:

IR@RiotBlockchain.com

SOURCE: Riot Blockchain, Inc.

EXHIBIT B

EXHIBIT B

October 3, 2017



Bioptix Announces Special Cash Dividend

CASTLE ROCK, Colo., Oct. 3, 2017 /PRNewswire/ -- Bioptix, Inc (NASDAQ: BIOP) (the "Company"), announced today that its Board of Directors has authorized a special dividend of approximately \$1.00 per common share (including common share equivalents) in cash, payable on or about October 18, 2017 to shareholders of record as of October 13, 2017.

Michael Beeghley, the Company's Chairman and Chief Executive Officer, commented, "This special dividend is a positive step to return value to all Bioptix shareholders. We continue to explore options for delivering additional value to shareholders with our streamlined overhead and cash position."

The exact dividend total amount is subject to final calculation. Shareholders do not need to take any action to receive the dividend. Shares held in street name should receive the dividend by credit to their brokerage accounts and shares held by shareholders of record will receive a check. Equity Stock Transfer has been appointed paying agent for administration of the dividend and any questions should be directed to them at 212.575.5757 or info@equitystock.com.

About Bioptix

The Company holds an exclusive license from the University of Washington in St. Louis ("UW") focusing on animal healthcare and owns important intellectual property rights related to veterinary products and has granted a license relating to single chain reproductive hormone technology for use in non-human mammals which is under active development by the licensee (bovine rFSH). The Company had been involved in developing blood-based testing for diagnosis and treatment of acute appendicitis until a negative response from the FDA in 2015. The Company acquired BiOptix Diagnostics, Inc in 2016 and following a decision in 2017 to exit that business has been reviewing possible strategic alternatives for that business, including a possible sale. The Company has been reviewing other strategic alternatives, including shifting its focus to new technologies in unrelated markets.

Safe Harbor

The information provided in this press release may include forward-looking statements relating to future events or the future financial performance of the Company. Because such statements are subject to risks and uncertainties, actual results may differ materially from those expressed or implied by such forward-looking statements. Words such as "anticipates," "plans," "expects," "intends," "will," "potential," "hope" and similar expressions are intended to identify forward-looking statements. These forward-looking

statements are based upon current expectations of the Company and involve assumptions that may never materialize or may prove to be incorrect. Actual results and the timing of events could differ materially from those anticipated in such forward-looking statements as a result of various risks and uncertainties. Detailed information regarding factors that may cause actual results to differ materially from the results expressed or implied by statements in this press release relating to the Company may be found in the Company's periodic filings with the Securities and Exchange Commission, including the factors described in the section entitled "Risk Factors" in its annual report on Form 10-K for the fiscal year ended December 31, 2016, as amended and supplemented from time to time and the Company's Quarter Reports on Form 10-Q and other filings submitted by the Company to the SEC, copies of which may be obtained from the SEC's website at www.sec.gov. The parties do not undertake any obligation to update forward-looking statements contained in this press release.

Media Contacts

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SOURCE Bioptix, Inc.

EXHIBIT C

EXHIBIT C

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**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549**

FORM 8-K

CURRENT REPORT

**PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934**

Date of Report (Date of earliest event reported): October 4, 2017 (September 29, 2017)

Riot Blockchain, Inc.

(Exact name of Registrant as specified in its charter)

Nevada

**(State or other jurisdiction of
incorporation or organization)**

001-33675

(Commission File Number)

84-1553387

(I.R.S. Employer Identification No.)

**834-F South Perry Street, Suite 443
Castle Rock, CO**

(Address of principal executive offices)

80104

(Zip Code)

Registrant's telephone number, including area code:

(303) 794-2000

Bioptix, Inc.

(Former name or former address, if changed since last report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b2 of the Securities Exchange Act of 1934 (§240.12b2 of this chapter).

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Item 1.01*goNumerical Ltd Investment*

On September 29, 2017, Bioptix, Inc. (the “Company”) entered into a series of agreements including a Subscription Agreement and Amended and Restated Unanimous Shareholder Agreement in connection with the purchase of \$3,000,000 of units of goNumerical Ltd. (“goNumerical”), a leading Canadian Blockchain company known as Coinsquare Ltd., one of Canada’s leading exchanges for trading digital currencies. Each unit consists of (i) one share of goNumerical and (ii) a purchase warrant exercisable into such number of shares of stock at the exercise price and with such other terms and conditions as are acceptable to the Company. The news release announcing the strategic investment is attached as Exhibit 99.1.

Item 5.03. Amendments to Articles of Incorporation or Bylaws; Changes in Fiscal Year.

On October 2, 2017 the Board of Directors of the Company approved a merger (the “Merger”) of the Company with its wholly-owned subsidiary, Riot Blockchain, Inc., a Nevada corporation (the “Merger Sub”), solely for the purpose of changing the name of the Company. Upon consummation of the Merger, the separate existence of Merger Sub ceased.

As permitted by Chapter 92A.180 of Nevada Revised Statutes, the purpose of the Merger was to effect a change of the Company’s name to Riot Blockchain, Inc. from Bioptix, Inc. Upon the filing of Articles of Merger (the “Articles of Merger”) with the Secretary of State of Nevada on October 4, 2017, the Company’s Articles of Incorporation were amended to reflect the change in the Company’s corporate name to Riot Blockchain, Inc.

Item 8.01 Other Events*Cash Dividend*

On October 2, 2017, the Company’s Board of Directors approved a cash dividend pursuant to which, the holders of the Company’s common stock, no par value per share (the “Common Stock”), and Series A Convertible Preferred Stock, no par value per share (the “Series A Preferred Stock”), as of the close of business on October 13, 2017 shall receive \$1.00 for each share of Common Stock, including each share of Common Stock that would be issuable upon conversion of the Series A Preferred Stock, on an as converted basis. . The payment date for the special cash dividend shall be on or about October 18, 2017, or such other date or dates as are authorized by the Board of Directors, as required for approval by NASDAQ. Equity Stock Transfer has been appointed payment agent for purposes of overseeing payment of the dividend.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

The exhibits listed in the following Exhibit Index are filed as part of this Current Report on Form 8-K.

Exhibit No.	Description
<u>3.1</u>	<u>Articles of Merger, as filed with the Secretary of State of the State of Nevada</u>
<u>99.1</u>	<u>Press Release dated October 4, 2017</u>

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Company has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Bioptix, Inc.
(Registrant)

October 4, 2017

By: /s/ Jeffrey G. McGonegal

Name: Jeffrey G. McGonegal

Title: Chief Financial Officer

Bioptix Changing Name to Riot Blockchain as Company Shifts Focus to Strategic Investor and Operator in Blockchain Technologies

Riot Blockchain Announces Strategic Investment in Coinsquare, a Leading Canadian Digital Currency Exchange

CASTLE ROCK, Colo., Oct. 4, 2017 -- Bioptix Inc. (Nasdaq: BIOP) today announced it is changing its name to Riot Blockchain, Inc., and has reserved and plans to change its Nasdaq ticker symbol RIOT, in line with a shift in direction of the company. The name and symbol change are subject to Nasdaq approval. Moving forward, Riot Blockchain's focus will be as a strategic investor and operator in the blockchain ecosystem with a particular focus on the Bitcoin and Ethereum blockchains.

As part of this focus, the company announces it has made a strategic investment in Coinsquare Ltd., one of Canada's leading exchanges for trading digital currencies. This investment into a blockchain-focused company is indicative of similar opportunities Riot Blockchain plans to pursue, including possible acquisitions of businesses serving the blockchain ecosystem.

"At Riot Blockchain, our team has the insight and network to effectively grow and develop blockchain assets," said Michael Beeghley, Chief Executive Officer of Riot Blockchain. "With new applications being developed for blockchain every day, this is a rapidly growing and evolving market. We are excited to have partnered with and led an investment in Coinsquare, a company we believe is well positioned to capitalize on the opportunity in this sector."

Blockchain protocols offer a secure way to store and relay information without the need for middlemen. It uses a decentralized and encrypted ledger that offers a secure, efficient, verifiable, and permanent way of storing records and other information. Blockchain protocols are the backbone of numerous digital cryptocurrencies including Bitcoin, Ethereum and Litecoin. They have a wide range of potential applications including use in processing transactions, managing medical records, recording votes, and proof of ownership across a far-reaching spectrum of applications.

About Riot Blockchain

Riot Blockchain Inc. (formerly Bioptix, Inc.) leverages its expertise and network to build and support blockchain technology companies. It is establishing an Advisory Board with technical experience intending to become a leading authority and supporter of blockchain and provides investment exposure to the rapidly growing blockchain ecosystem. For more information, visit <http://www.riotblockchain.com/>.

The company continues to maintain its existing Bioptix business line and its royalty license stemming from an Exclusive License Agreement with Ceva Santé Animale S.A. ("Licensee"), providing an exclusive worldwide royalty-bearing license, until December 31, 2028, to develop, seek regulatory approval for and offer to sell, market, distribute, import and export luteinizing hormone ("LH") and/or follicle-stimulating hormone ("FSH") products for cattle, equine and swine for the assistance and facilitation of reproduction.

Safe Harbor

The information provided in this press release may include forward-looking statements relating to future events or the future financial performance of the Company. Because such statements are subject to risks and uncertainties, actual results may differ materially from those expressed or implied by such forward-looking statements. Words such as "anticipates," "plans," "expects," "intends," "will," "potential," "hope" and similar expressions are intended to identify forward-looking statements. These forward-looking statements are based upon current expectations of the Company and involve assumptions that may never materialize or may prove to be incorrect. Actual results and the timing of events could differ materially from those anticipated in such forward-looking statements as a result of various risks and uncertainties. Detailed information regarding factors that may cause actual results to differ materially from the results expressed or implied by statements in this press release relating to the Company may be found in the Company's periodic filings with the Securities and Exchange Commission, including the factors described in the sections entitled "Risk Factors", copies of which may be obtained from the SEC's website at www.sec.gov. The parties do not undertake any obligation to update forward-looking statements contained in this press release.

Media Contacts

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EXHIBIT D

EXHIBIT D

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**UNITED STATES
 SECURITIES AND EXCHANGE COMMISSION
 Washington, D.C. 20549**

FORM 8-K

**CURRENT REPORT
 PURSUANT TO SECTION 13 OR 15(d) OF
 THE SECURITIES EXCHANGE ACT OF 1934**

Date of Report (Date of earliest event reported): November 1, 2017

Riot Blockchain, Inc.
 (Exact name of registrant as specified in its charter)

Nevada	001-33675	84-1553387
(State or Other Jurisdiction of Incorporation)	(Commission File Number)	(I.R.S. Employer Identification Number)

**202 6th Street, Suite 401
 Castle Rock, CO 80104**
 (Address of principal executive offices) (zip code)

(303) 794-2000
 (Registrant's telephone number, including area code)

**834-F South Perry Street, Suite 443
 Castle Rock, CO 80104**
 (Former Name or Former Address, if Changed Since Last Report)

Copies to:
 Harvey Kesner, Esq.
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 Fax: (212) 930-9725

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b2 of the Securities Exchange Act of 1934 (§240.12b2 of this chapter).

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Item 1.01. Entry into a Material Definitive Agreement.

On November 1, 2017, Riot Blockchain, Inc. (the “Company”) entered into a share exchange agreement (the “Agreement”) with Kairos Global Technology, Inc., a Nevada corporation (“Kairos”). Pursuant to the Agreement, upon satisfaction of certain closing conditions, the shareholders of Kairos agreed to exchange all outstanding shares of Kairos’ common stock to the Company and the Company agreed to issue an aggregate of One Million Seven Hundred Fifty Thousand and One (1,750,001) newly designated shares of Series B Convertible Preferred Stock (the “Series B Preferred Stock”) which are convertible into an aggregate of One Million Seven Hundred Fifty Thousand and One (1,750,001) shares of the Company’s common stock, no par value per share (the transaction, the “Kairos Transaction”) to such shareholders. On November 3, 2017, the Company closed the Kairos Transaction.

Upon closing of the Kairos Transaction, the Company became the owner of certain computer equipment and other assets used for the mining of cryptocurrency, specifically servers consisting of 700 AntMiner S9s and 500 AntMiner L3s, all manufactured by industry leader Bitmain.

The shares of Series B Preferred Stock are convertible into shares of common stock based on a conversion calculation equal to the stated value of the Series B Preferred Stock, plus all accrued and unpaid dividends, if any, on such Series B Preferred Stock, as of such date of determination, divided by the conversion price. The stated value of each share of Series B Preferred Stock is \$6.80 and the initial conversion price is \$6.80 per share, each subject to adjustment for stock splits, stock dividends, recapitalizations, combinations, subdivisions or other similar events.

The holders of Series B Preferred Stock are entitled to receive dividends if and when declared by the Company’s board of directors. The Series B Preferred Stock will participate on an “as converted” basis, with all dividends declared on the Company’s common stock. Such dividends will be paid by the Company out of funds legally available therefor, payable, subject to the conditions and other terms hereof, in cash on the stated value of such Series B Preferred Stock.

The Company is prohibited from effecting a conversion of the Series B Preferred Stock to the extent that, as a result of such conversion, the holder would beneficially own more than 4.99% percent of the number of shares of common stock outstanding immediately after giving effect to the issuance of shares of common stock upon conversion of the Series B Preferred Stock, which beneficial ownership limitation may be increased by the holder up to, but not exceeding, 9.99% percent. Each holder is entitled to vote on all matters submitted to stockholders of the Company, and will have the number of votes equal to the number of shares of common stock issuable upon conversion of such holder’s Series B Preferred Stock.

The Series B Preferred Stock contains a blocker pursuant to which, if the Company has not obtained the approval of its shareholders in accordance with NASDAQ Listing Rule 5635(d), then the Company may not issue upon conversion of the Series B Preferred Stock a number of shares of common stock, which, when aggregated with any other shares of common stock underlying the Series B Preferred Stock issued pursuant to the Agreement would exceed 19.99% of the shares of common stock issued and outstanding as of the date of the Agreement, subject to adjustment for reverse and forward stock splits, stock dividends, stock combinations and other similar transactions of the common stock that occur after the date of the Agreement.

The foregoing description of the Agreement does not purport to be complete and is qualified in its entirety by reference to the complete text of the Agreement, a copy of which will be filed as an exhibit to the Company’s Quarterly Report on Form 10-Q for the period ended September 30, 2017.

The foregoing description of the Series B Preferred Stock does not purport to be complete and is qualified in its entirety by reference to the complete text of the Form of Series B Certificate of Designation of Rights, Powers, Preferences, Privileges and Restrictions of 0% Series B Convertible Preferred Stock (the “Certificate of Designation”), a copy of which is filed as Exhibit 3.1 to this Current Report on Form 8-K and is incorporated by reference herein.

Item 3.02. Unregistered Sales of Equity Securities.

Item 1.01 is incorporated by reference in its entirety into this Item 3.02. The Kairos Transaction was conducted pursuant to the exemption set forth in Section 4(a)(2) of the Securities Act of 1933, as amended (the “Securities Act”) and safe-harbor set forth in Regulation S adopted under the Securities Act.

Item 5.02. Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.*Departure of Chief Executive Officer and Chairman*

On November 3, 2017, Michael Beeghley resigned as a director and the Chief Executive Officer of the Company. Such resignation was tendered and accepted by the Board of Directors of the Company (the "Board"). Mr. Beeghley's resignation was not the result of any disagreement with the Company, any matter related to the Company's operations, policies or practices, the Company's management or the Board. On November 3, 2017, Mr. Beeghley entered into a separation agreement with the Company (the "Separation Agreement"), pursuant to which all of his rights and interests in all unvested options and unvested restricted stock units will become vested and, in addition, the Company shall issue an additional award of 40,000 shares of restricted common stock of the Company. The foregoing description of the Separation Agreement does not purport to be complete and is qualified in its entirety by reference to the complete text of the Separation Agreement, a copy of which will be filed as an exhibit to the Company's Quarterly Report on Form 10-Q for the period ended September 30, 2017.

Appointment of Chief Executive Officer and Chairman

On November 3, 2017, to fill the vacancy created by Mr. Beeghley's resignation, the Board appointed John O'Rourke as Chief Executive Officer and Chairman of the Board. Mr. O'Rourke currently serves as President of the Company and as a member of the Board. There is no family relationship between Mr. O'Rourke and any of the Company's other officers or directors.

In connection with the appointment of Mr. O'Rourke as Chief Executive Officer and Chairman of the Board, the Board approved (i) a monthly salary of \$25,000, (ii) a restricted stock award of 344,000 shares of common stock which shall vest in 24 equal monthly installments beginning one month from the date of issuance and (iii) an option to purchase up to 100,000 shares of the Company's common stock, at an exercise price \$10.00, the exercisability of which is subject to shareholder approval of an increase to the amount of shares available for issuance under the Company's equity incentive plan, and as more fully set forth in an employment agreement (the "Employment Agreement") which shall have a term of two years. The foregoing description of the Employment Agreement does not purport to be complete and is qualified in its entirety by reference to the complete text of the Employment Agreement, a copy of which will be filed as an exhibit to the Company's Quarterly Report on Form 10-Q for the period ended September 30, 2017.

Departure of Director

On November 1, 2017, Mike Dai resigned from his position as a member of the Board and all committees thereof. Mr. Dai's resignation is not due to any disagreement related to the financial status or financial statements of the Company.

Appointment of Director

On November 3, 2017, the Company appointed Jason Les as a director of the Company. Mr. Les is deemed an "independent" non-employee director as defined by NASDAQ Rule 5605(a)(2). There are no family relationships between Mr. Les and any of our other officers and directors. Mr. Les shall receive the Company's equity award for new independent directors of 7,500 restricted stock units as compensation, which shall vest in 24 equal monthly installments over a two year period, beginning on the one month anniversary of the date of issuance. Mr. Les was appointed to the Nominating and Governance Committee, Audit Committee and Compensation Committee (Chairman) of the Board.

Set forth below is the biographical information of the newly appointed director, as required by Item 401 of Regulation S-K.

Mr. Les graduated from U.C. Irvine in 2010 with a B.S. in Information and Computer Science. Mr. Les is an established professional poker player. Mr. Les successfully competed in high stakes heads-up games online for several years and was twice selected as the human benchmark for testing the world's best poker artificial intelligence in what was dubbed Man vs Machine at Carnegie Mellon University. Mr. Les was chosen as a director based on the fact that he has been active in the industry as a miner, studying protocol development and evaluating a variety of crypto investment strategies.

Item 5.03. Amendments to Articles of Incorporation or Bylaws; Changes in Fiscal Year.

On November 3, 2017, the Company designated 1,750,001 shares of preferred stock as "0% Series B Convertible Preferred Stock" in connection with the filing of the Certificate of Designation with the Secretary of State of the State of Nevada. The details of the Series B Preferred Stock and Certificate of Designation are described in Item 1.01, which is incorporated by reference in its entirety into this Item 5.03. The Certificate of Designation is filed as Exhibit 3.1 hereto.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

The exhibits listed in the following Exhibit Index are filed as part of this Current Report on Form 8-K.

Exhibit No.	Description
<u>3.1</u>	<u>Form of Certificate of Designations, Preferences and Right of the 0% Series B Convertible Preferred Stock of Riot Blockchain, Inc.</u>

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

RIOT BLOCKCHAIN, INC.

Dated: November 3, 2017

By: /s/ Jeffrey G. McGonegal

Name: Jeffrey G. McGonegal

Title: Chief Financial Officer

EXHIBIT E

EXHIBIT E

EX-99.1 2 ex99x1.htm EXHIBIT 99.1

Exhibit 99.1

Riot Blockchain Announces Strategic Investment in Verady, a Blockchain Technology Company

CASTLE ROCK, Colo., Nov. 16, 2017 – Riot Blockchain, Inc., (Nasdaq: RIOT) (the “Company”) today announced it has made a strategic investment in Verady, LLC (“Verady”). Verady combines blockchain technology and industry thought leadership to bring accounting standards and audit services to the cryptocurrency market. Verady provides accounting, audit, and verification for blockchain based assets such as cryptocurrencies. The Company's investment in Verady will be used to further advance its technology and increase the size of its team.

Founded in 2016, Verady recently launched VeraNet, a decentralized network of financial reporting and accounting tools targeted to the needs of the cryptocurrency community. Verady follows recent investments the Company has made into Coinsquare, Tess, and its Bitcoin mining operation.

“This investment continues our commitment to building blockchain technologies,” said John O’Rourke, Chairman and Chief Executive Officer of Riot Blockchain. “With recent highs in Bitcoin and other cryptocurrency valuations, there is significant market potential for blockchain and digital asset technologies. We will continue to increase our involvement and support of the blockchain ecosystem, as we ramp up our Bitcoin mining operations.”

“As early movers in the crypto audit and accounting ecosystem, the investment from Riot Blockchain will enable us to enhance our services which are crucial to the adoption and growth of blockchain assets.” said Kell Canty, Co-founder and CEO of Verady.

The blockchain is a decentralized and encrypted ledger that offers a secure, efficient, verifiable and permanent way of storing records and other information without the need for intermediaries. These protocols are the backbone of numerous digital cryptocurrencies, including Bitcoin, Ethereum and Litecoin. Blockchain protocols have a wide range of use, including processing transactions, managing medical records, verification and proof of ownership across a far-reaching spectrum of applications.

About Verady

Verady provides cryptocurrency accounting and audit technology services through VeraNet, where financial institutions, corporations, and individuals can audit, account, and report on blockchain assets. Verady believes traditional accounting systems, firms, and standards are currently lacking functionality around cryptocurrencies. VeraNet will be the bridge between cryptocurrencies and traditional financial accounting which is needed to further their acceptance and growth. For more information about Verady please visit Verady.com or follow @veradyinfo on Twitter.

About Riot Blockchain

Riot Blockchain, Inc., (formerly Bioptix, Inc.) leverages its expertise and network to build and support blockchain technologies. It is establishing an Advisory Board with technical experience intending to become a leading authority and supporter of blockchain, while providing investment exposure to the rapidly growing Bitcoin and blockchain ecosystems. For more information, visit <http://www.RiotBlockchain.com/>.

The company continues to maintain its existing Bioptix business segment, including its royalty license stemming from an Exclusive License Agreement with Ceva Santé Animale S.A., providing an exclusive worldwide royalty-bearing license, until December 31, 2028, to develop, seek regulatory approval for and offer to sell, market, distribute, import and export luteinizing hormone and/or follicle-stimulating hormone products for cattle, equine and swine for the assistance and facilitation of reproduction.

Safe Harbor

The information provided in this press release may include forward-looking statements relating to future events or the future financial performance of the Company. Because such statements are subject to risks and uncertainties, actual results may differ materially from those expressed or implied by such forward-looking statements. Words such as "anticipates," "plans," "expects," "intends," "will," "potential," "hope" and similar expressions are intended to identify forward-looking statements. These forward-looking statements are

based upon current expectations of the Company and involve assumptions that may never materialize or may prove to be incorrect. Actual results and the timing of events could differ materially from those anticipated in such forward-looking statements as a result of various risks and uncertainties. Detailed information regarding factors that may cause actual results to differ materially from the results expressed or implied by statements in this press release relating to the Company may be found in the Company's periodic filings with the Securities and Exchange Commission, including the factors described in the sections entitled "Risk Factors", copies of which may be obtained from the SEC's website at www.sec.gov. The parties do not undertake any obligation to update forward-looking statements contained in this press release.

Media Contacts

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Investor Contact

IR@RiotBlockchain.com

EXHIBIT F

EXHIBIT F

Riot Blockchain's TessPay Signs Letter of Intent for Merger with Publicly Traded Cresval Capital Corp

CASTLE ROCK, Colo., Dec 11, 2017 — Riot Blockchain Inc. (Nasdaq: RIOT) (the "Company") today announced that its majority owned Tess Inc. ("TessPay") has entered into a non-binding letter of intent ("LOI") to merge with Cresval Capital Corp. ("Cresval") (TSX-V: CRV). TessPay is a blockchain company developing a supply chain payment platform for businesses to attempt to guarantee payment on time and in full. After the closing of the anticipated merger, TessPay will be publicly traded on the TSX Venture Exchange (the "TSXV") and change its name to "TessPay Inc."

The LOI provides that TessPay will be issued 80,000,000 shares of Cresval, and the present shareholders of Cresval will retain 8,400,000 shares of the combined company TessPay post-merger. Riot Blockchain will receive 41,600,000 shares resulting from its 52% ownership of TessPay.

Assuming that TessPay and Cresval enter into a definitive agreement, the parties expect that the merger can be completed by the 2nd quarter of 2018. No assurance can be given that a definitive agreement will be entered into, that the proposed merger will be consummated, or that the combined company will be able to obtain adequate funds needed to fund its business plan.

The merger would be the first of Riot Blockchain's investments to become a stand-alone public company. Haywood Securities Inc acted as a financial advisor on the transaction.

Jeff Mason, Chief Executive Officer of TessPay, stated, "The decision to take the company public provides us access to traditional capital markets as we continue developing our blockchain technology solution. This environment will also foster transparency and accountability moving forward, providing confidence to investors and prospective customers alike."

The blockchain is a decentralized and encrypted ledger that offers a secure, efficient, verifiable and permanent way of storing records and other information without the need for intermediaries. These protocols are the backbone of numerous digital currencies, including Bitcoin, Ethereum and Litecoin. Blockchain protocols have a wide range of use, including processing transactions, accounting, verification and proof of ownership across a far-reaching spectrum of applications.

About Riot Blockchain

Riot Blockchain, Inc. is leveraging its expertise and a network of professional advisors to build and support blockchain technologies. It is establishing an Advisory Board with technical experience intending to become a leading authority and supporter of blockchain, while providing investment exposure to the rapidly growing Bitcoin and blockchain ecosystems. For more information, visit <http://www.RiotBlockchain.com/>.

About TessPay

TessPay is a blockchain company developing a payments ecosystem for component and sub-component supply chain settlements (payments). TessPay believes a transition will occur from the present state wherein payments down a supply chain are essentially manual (triggered by a manager or trusted party) to a blockchain protocol that mandates simultaneous payment of all component and sub-component suppliers when the primary party makes a payment into the chain.

TessPay intends to develop and utilize TessPay Smart Contracts, wherein a payment from the primary party in the chain would be automatically apportioned to all other eligible parties in the chain concomitant with payment by the primary party. The creditworthy financial condition of the primary party would facilitate lender involvement in the supply chain under the security afforded by the TessPay Smart Contract. The first TessPay smart contracts payment system will be tailored to the needs of the international telecommunications industry in respect of cross border telephone calls. For more information, visit <http://tesspay.io/>.

Safe Harbor

The information provided in this press release may include forward-looking statements relating to future events or the future financial performance of the Company. Because such statements are subject to risks and uncertainties, actual results may differ materially from

those expressed or implied by such forward-looking statements. Words such as "anticipates," "plans," "expects," "intends," "will," "potential," "hope" and similar expressions are intended to identify forward-looking statements. These forward-looking statements are based upon current expectations of the Company and involve assumptions that may never materialize or may prove to be incorrect. Actual results and the timing of events could differ materially from those anticipated in such forward-looking statements as a result of various risks and uncertainties. Detailed information regarding factors that may cause actual results to differ materially from the results expressed or implied by statements in this press release relating to the Company may be found in the Company's periodic filings with the Securities and Exchange Commission, including the factors described in the sections entitled "Risk Factors", copies of which may be obtained from the SEC's website at www.sec.gov. The parties do not undertake any obligation to update forward-looking statements contained in this press release.

Media Contacts

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EXHIBIT G

EXHIBIT G

S-3/A 1 bioptix_s3.htm FORM S-3 AMENDMENT NO 3

As filed with the Securities and Exchange Commission on September 25, 2017

Registration No. 333-217397

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

FORM S-3
(Amendment No. 3)
REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933

BIOPTIX, INC.

(Exact name of registrant as specified in its charter)

Nevada
(State or other jurisdiction of
incorporation or organization)

84-155337
(I.R.S. Employer
Identification No.)

834-F South Perry Street, Suite 443
Castle Rock, CO 80104
(303) 794-2000
(Address, including zip code, and telephone number, including
area code, of registrant's principal executive offices)

Jeffrey G. McGonegal
Chief Financial Officer
834-F South Perry Street, Suite 443
Castle Rock, CO 80104
(303) 794-2000
(Name, address, including zip code, and telephone number, including area code, of agent for service)

Approximate date of commencement of proposed sale to the public: From time to time after the effective date of this registration statement.

If the only securities being registered on this Form are being offered pursuant to dividend or interest reinvestment plans, please check the following box. ☐

If any of the securities being registered on this Form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, other than securities offered only in connection with dividend or interest reinvestment plans, check the following box. ☒

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, please check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ☐

If this Form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ☐

Company References

In this prospectus, "Bioptix," "the Company," "we," "us," and "our" refer to Bioptix, Inc., a Colorado corporation, unless the context otherwise requires.

OUR BUSINESS

Historical Operations

We hold an exclusive license agreement with Washington University ("WU") in St. Louis which granted us an exclusive license and right to sublicense its technology for veterinary products worldwide, subject to certain exceptions. In July 2012, we granted Ceva Sante Animale S.A. ("Ceva") an exclusive royalty-bearing license to our intellectual property and other assets, relating to recombinant single chain reproductive hormone technology for use in non-human mammals. This license includes a sublicense of the technology licensed to us by WU. Ceva continues to advance development of the bovine rFSH product and cumulative cash payments received to date by us from Ceva have been approximately \$2 million.

On February 25, 2016, we completed the sale of our corporate headquarters, land and building, to a third party at a purchase price of \$4,053,000. The sale generated approximately \$1.8 million in net cash after expenses and mortgage payoffs. In addition to agreeing to the sale, we rented back space in the building under short-term lease agreements that provide storage space required for our current level of operations.

Through our wholly owned subsidiary, BiOptix Diagnostics, Inc. ("BDI"), which we acquired in September 2016, we have developed a proprietary Enhanced Surface Plasmon Resonance technology platform for the detection of molecular interactions. We acquired a Surface Plasma Resonance (SPR) platform which seeks to combine high sensitivity with microarray detection capability to allow researchers to understand whether their target molecules have functionality against the disease targeted. SPR is an advanced and highly sensitive optical technology that can measure refractive index changes on a sensor chip's gold surface due to a change in mass that occurs during a binding event. This change can be used to monitor biological interactions such as the concentration of target molecules, kinetic rates and affinity constants.

BDI is a life science tools company that provides an affordable solution for drug discovery scientists who require label-free, real-time detection of bio-molecular interactions. BDI manufactures, sells and services instruments and consumables to pharmaceutical researchers allowing them to develop new drugs faster than by using older technologies such as enzyme-linked immunosorbent assay or "ELISA". BDI was originally established with technology developed in conjunction with Dr. John L. "Jan" Hall, Adjoint Professor, JILA (University of Colorado), who shared the Nobel Prize for Physics in 2005 for his work on laser-based precision spectroscopy and the optical frequency comb technique. SPR is the core of the BDI products and intellectual property. Dr. Hall, in conjunction with the scientists at BDI, created a common path interferometer that was commercialized to become the 404pi instrument.

When it was acquired by us in September 2016, BDI was in the initial stages of rolling out its first commercial product, the 404pi system. BDI's initial revenue was generated in 2014 with first sales to customers including sales to leading academic researchers and biotech companies. BDI did not experience any significant seasonality to its business and provided normal terms to its customers, generally 30-60 days, net. Currently there is no back-log of orders.

Following the September 2016 acquisition of BDI, we began hiring sales, marketing and operational employees, adding a total of eight employees to the twelve hired in connection with the acquisition.

The BDI products include a reader instrument (404pi) and the consumable test products consisting of test chips (cassettes) and packaging. The instrument is assembled in-house using primarily off the shelf parts and certain customized components. Consumable test product components are manufactured at the BDI facility using certain sub-assemblies processed by third-party contractors. Raw materials and certain sub-components are acquired from a number of suppliers.

Effective January 14, 2017, the Company adopted a plan to exit the business of BDI and commenced a significant reduction in the workforce. The decision to adopt this plan was made following an evaluation by the Company's Board of Directors in January 2017, of the estimated results of operations projected during the near to mid-term period for BDI, including consideration of product development required and updated sales forecasts, and estimated additional cash resources required. Accordingly, the historical results of BDI have been classified as discontinued operations for all periods presented.

Following the recent decision to exit the BDI business, we have begun evaluating potential strategic alternatives. We expect, in the near term, to establish the primary criteria we will consider as we evaluate our next steps and strategic path forward with the goal of maximizing value for our stockholders. Additionally, we will focus on attempting to locate an acquirer or partner for the BDI operations as well as continuing to attempt to locate an interested party for the appendicitis assets.

Company Information

We were incorporated on July 24, 2000 in the state of Colorado under the name "AspenBio, Inc.", which was subsequently changed to AspenBio Pharma, Inc. In December 2012, we changed our name to "Venaxis, Inc." and in 2016, in connection with our acquisition of BiOptix Diagnostics, Inc., we changed our name to "Bioptix, Inc." In September 2017, we changed our state of incorporation to Nevada from Colorado. Our principal executive offices are located at 834-F South Perry Street, Suite 443, Castle Rock, CO 80104 and our telephone number is (303) 794-2000. Our website address is www.venaxis.com. The information contained on, or accessible through, our website is not part of this prospectus or any prospectus supplement.

RISK FACTORS

Investing in our securities involves a high degree of risk. Before making an investment decision, you should carefully consider the risks, uncertainties and forward-looking statements described under "Risk Factors" in Item 1A of our most recent Annual Report on Form 10-K for the fiscal year ended December 31, 2016 filed with the Securities and Exchange Commission (the "SEC") on March 31, 2017, as amended as of April 27, 2017 and August 15, 2017, as well as information incorporated by reference into this prospectus. If any of these risks were to occur, our business, financial condition or results of operations would likely suffer. In that event, the value of our securities could decline, and you could lose part or all of your investment. The risks and uncertainties we describe are not the only ones facing us. Additional risks not presently known to us or that we currently deem immaterial may also impair our business operations. In addition, our past financial performance may not be a reliable indicator of future performance, and historical trends should not be used to anticipate results in the future. See "Forward-Looking Statements" below.

EXHIBIT H

EXHIBIT H

Date	Open	High	Low	Close	Adj Close	Volume
10/3/2017	6.8	8.25	6.51	8.09	8.09	277000
10/4/2017	9.45	9.5	8	8.18	8.18	567400
10/5/2017	7.99	8.06	7.01	7.3	7.3	318100
10/6/2017	7.72	7.85	7.02	7.4	7.4	123500
10/9/2017	7.88	9.156	7.49	8.74	8.74	1031600
10/10/2017	8.8	9.6	8.25	8.75	8.75	993300
10/11/2017	8.75	11.17	8.75	9.24	9.24	2456200
10/12/2017	9.35	9.35	7.4	8.2	8.2	910300
10/13/2017	8.01	8.24	7.2	7.9	7.9	665200
10/16/2017	7.89	7.99	7.293	7.55	7.55	275800
10/17/2017	8	8.7	7.467	8.13	8.13	1093400
10/18/2017	8.04	8.1	7.14	7.67	7.67	391600
10/19/2017	7.68	8.4	7.52	7.789	7.789	221400
10/20/2017	7.99	8.5	7.16	8.49	8.49	886100
10/23/2017	8.84	9.5	8.3	8.75	8.75	1362700
10/24/2017	8.73	8.755	7.6	7.9	7.9	681300
10/25/2017	7.99	7.99	6.73	7.2	7.2	634400
10/26/2017	7.35	7.6	6.74	7.26	7.26	392400
10/27/2017	7.53	7.53	6.79	6.91	6.91	336500
10/30/2017	7.06	7.44	6.91	7.05	7.05	227000
10/31/2017	7.1	7.34	6.5	6.8	6.8	296700
11/1/2017	6.98	7.2	6.75	6.95	6.95	323500
11/2/2017	7.75	7.989	6.331	6.96	6.96	1084100
11/3/2017	7.03	7.03	6.61	6.75	6.75	247300
11/6/2017	7	7.9	6.8	7.64	7.64	913400
11/7/2017	7.89	8.98	7.4	8.3	8.3	1236300
11/8/2017	8.8	8.8	7.6	7.78	7.78	577100
11/9/2017	7.65	7.824	7.3	7.5	7.5	423900
11/10/2017	7.5	7.5	6.8	7.16	7.16	398800
11/13/2017	7.1	7.4	7	7.25	7.25	329000
11/14/2017	7.1	7.28	6.89	7.02	7.02	291900
11/15/2017	7.1	8.017	7.02	7.93	7.93	815500
11/16/2017	8.2	8.43	7.6	8.12	8.12	1199600

11/17/2017	8.3	9.2	7.99	8.13	8.13	1505800
11/20/2017	8.46	10.5	8.06	10.35	10.35	4995100
11/21/2017	10.35	12.89	10.2	11.26	11.26	12113000
11/22/2017	12.3	16.139999	11.4	15.99	15.99	13679300
11/24/2017	18.450001	24	18.389999	23.6	23.6	19192100
11/27/2017	21.5	21.77	15.54	15.6	15.6	17360400
11/28/2017	15.95	17.1	12.97	15.25	15.25	12540800
11/29/2017	17.280001	17.42	12.3	13.18	13.18	8082000
11/30/2017	12.24	14.2	12.01	13.5	13.5	4652100
12/1/2017	14.85	15.48	13.87	15	15	6026500
12/4/2017	16.5	16.719999	14.95	15.07	15.07	5423100
12/5/2017	14.72	14.75	13.5	14.14	14.14	2979100
12/6/2017	14.6	14.88	13.53	13.702	13.702	2228100
12/7/2017	14.25	16.110001	13.8	14.6	14.6	5686300
12/8/2017	14.6	16.23	14.5	15.86	15.86	3894100
12/11/2017	19.059999	23.67	17.75	23.08	23.08	20292700
12/12/2017	26.25	33.27	25	28.200001	28.200001	36521100
12/13/2017	24.200001	26.627001	22.1	23.030001	23.030001	13532800
12/14/2017	24.355	26.139999	23.799999	24.98	24.98	8212400
12/15/2017	28	29.49	26.790001	28.5	28.5	12417300
12/18/2017	32.200001	45.990002	31.540001	36.470001	36.470001	29520000
12/19/2017	36.150002	46.200001	36	38.599998	38.599998	30962600
12/20/2017	40.75	41.75	33.049999	36.119999	36.119999	13993000
12/21/2017	35.5	36.07	26.25	27.6	27.6	12707500
12/22/2017	22.52	26.459999	20.200001	24.52	24.52	13191500
12/26/2017	28.52	31.940001	27.549999	31.219999	31.219999	11406600
12/27/2017	31.18	33.279999	28.549999	29.799999	29.799999	8561900
12/28/2017	27.200001	28.799999	26.74	27.23	27.23	3767100
12/29/2017	28.719999	29.59	27.701	28.4	28.4	4757400
1/2/2018	28.5	28.700001	26	27.9	27.9	4169100
1/3/2018	27.549999	27.68	23.35	24.360001	24.360001	5281200
1/4/2018	24.870001	25.48	22.530001	24.27	24.27	4474100
1/5/2018	26.200001	26.299999	24.200001	24.43	24.43	3485000
1/8/2018	25.139999	25.15	22.75	23.42	23.42	2933000

1/9/2018	24.99	25.77	23.450001	24.02	24.02	4632200
1/10/2018	23.9	24.195	22.700001	22.940001	22.940001	1993100
1/11/2018	22.200001	22.5	20.629999	20.85	20.85	2843000
1/12/2018	21.16	22.075001	20.92	21.879999	21.879999	1679500
1/16/2018	20	20.5	17.799999	18.280001	18.280001	2898200
1/17/2018	17.5	18.1	16.040001	17.76	17.76	3996300
1/18/2018	18.639999	21.440001	18.5	19.799999	19.799999	5540800
1/19/2018	20.389999	20.48	19.5	19.91	19.91	1567000
1/22/2018	19.389999	20.73	19	19.48	19.48	1671900
1/23/2018	19.51	20.110001	18.629999	19.6	19.6	1416900
1/24/2018	19.879999	20	18.91	19.24	19.24	1038900
1/25/2018	18.950001	19.15	17.799999	17.91	17.91	1026500
1/26/2018	17.559999	17.98	17.059999	17.129999	17.129999	1056200
1/29/2018	16.85	17	15.1	15.23	15.23	1656600
1/30/2018	14.87	14.9	13.75	14.28	14.28	1665300
1/31/2018	14.5	15.67	13.36	13.75	13.75	1701600
2/1/2018	12.91	13	12.1	12.3	12.3	1953400
2/2/2018	12.08	12.75	11.6	12.16	12.16	1793400
2/5/2018	11.4	12.19	10.55	10.7	10.7	1493900
2/6/2018	10.4	13.49	10.4	12.95	12.95	2756700
2/7/2018	15.32	16.41	13.88	14.32	14.32	7206500
2/8/2018	15.8	15.9	14.25	14.89	14.89	2144100
2/9/2018	15.03	16.34	14.8	16.049999	16.049999	2522200
2/12/2018	16.57	18.139999	16.57	17.540001	17.540001	3972600
2/13/2018	16.75	17.49	15.21	16.059999	16.059999	2853900
2/14/2018	17.200001	17.4	16.5	16.59	16.59	1643900
2/15/2018	17.6	18.4	16.700001	17.200001	17.200001	2700100
2/16/2018	14.09	15.2	10.55	11.46	11.46	12316700
2/20/2018	10.5	12.4	9.77	10.92	10.92	4636000
2/21/2018	10.7	11.39	10.5	10.6	10.6	1551700
2/22/2018	10.76	10.77	9.52	9.98	9.98	1809500
2/23/2018	9.85	10.44	9.816	10.27	10.27	1084200
2/26/2018	9.95	10.26	9.7	9.9	9.9	921100
2/27/2018	9.95	10.12	9.651	9.96	9.96	567900

2/28/2018	9.76	10.75	9.76	10.58	10.58	1229000
3/1/2018	9.93	10.72	9.91	10.13	10.13	1134100
3/2/2018	9.89	10.69	9.89	10.58	10.58	732400
3/5/2018	10.67	10.85	10.25	10.83	10.83	716900
3/6/2018	10.65	10.8	10.25	10.39	10.39	586400
3/7/2018	10.09	10.37	10.02	10.08	10.08	578600
3/8/2018	9.94	10.179	9.56	9.57	9.57	709700
3/9/2018	9.55	9.78	9.05	9.24	9.24	746700
3/12/2018	9.11	9.243	8.6	8.97	8.97	1322100
3/13/2018	8.83	8.92	8.54	8.7	8.7	565900
3/14/2018	8.3	8.7	8.05	8.15	8.15	727400
3/15/2018	8.12	8.29	7.33	7.51	7.51	1024000
3/16/2018	7.31	8.45	7.3	8.29	8.29	1203800
3/19/2018	8.12	8.75	7.85	8.42	8.42	1029600
3/20/2018	8.75	8.75	7.83	8.02	8.02	633900
3/21/2018	8.15	8.43	7.74	7.94	7.94	477300
3/22/2018	7.75	7.96	7.58	7.63	7.63	362400
3/23/2018	7.65	7.76	7.4	7.5	7.5	426900
3/26/2018	7.67	7.76	7.05	7.36	7.36	627100
3/27/2018	7.34	7.55	6.83	6.95	6.95	310400
3/28/2018	6.88	6.91	6.03	6.28	6.28	701400
3/29/2018	6.25	6.65	6	6.62	6.62	512300
4/2/2018	6.51	6.599	6.17	6.36	6.36	296500
4/3/2018	6.39	6.89	6.231	6.53	6.53	474500
4/4/2018	6.25	6.6	6.2	6.42	6.42	311000
4/5/2018	6.4	7.81	6.38	7.22	7.22	3419600
4/6/2018	7.18	7.77	6.53	6.64	6.64	1654500
4/9/2018	6.58	6.78	6.25	6.4	6.4	525200
4/10/2018	6.41	6.727	6.353	6.49	6.49	432200
4/11/2018	6.35	7.1	6.35	6.62	6.62	564700
4/12/2018	7.35	8.2	7.12	7.47	7.47	4072800
4/13/2018	8.04	8.36	7.5	7.75	7.75	1567600
4/16/2018	7.7	7.7	7.06	7.31	7.31	595400
4/17/2018	7.32	7.87	7.29	7.3	7.3	635300

4/18/2018	6.95	7.19	6.84	6.87	6.87	745700
4/19/2018	6.75	6.75	6.25	6.7	6.7	745000
4/20/2018	6.66	6.95	6.561	6.65	6.65	454100
4/23/2018	6.66	6.899	6.46	6.55	6.55	356800
4/24/2018	6.9	7.655	6.64	7.58	7.58	1451300
4/25/2018	7.3	7.48	7	7.36	7.36	672900
4/26/2018	7.32	7.88	7.241	7.47	7.47	658200
4/27/2018	7.55	7.66	7.36	7.49	7.49	350400
4/30/2018	7.46	7.49	7.13	7.22	7.22	409800
5/1/2018	7.14	7.47	7.02	7.32	7.32	262300
5/2/2018	7.37	7.37	7.143	7.24	7.24	215600
5/3/2018	7.36	7.67	7.11	7.64	7.64	362000
5/4/2018	7.9	8.15	7.411	7.56	7.56	672300
5/7/2018	7.31	7.8	7.31	7.58	7.58	428700
5/8/2018	7.56	7.774	7.34	7.4	7.4	280800
5/9/2018	7.4	7.59	7.32	7.44	7.44	369800
5/10/2018	7.41	7.65	7.15	7.23	7.23	430400
5/11/2018	7.44	7.55	7.27	7.38	7.38	544400
5/14/2018	7.4	7.73	7.38	7.63	7.63	374900
5/15/2018	7.6	7.95	7.58	7.83	7.83	297400
5/16/2018	7.8	8.64	7.65	8.5	8.5	998300
5/17/2018	8.5	9.75	8.15	9.51	9.51	1868000
5/18/2018	9.48	9.48	8.57	9	9	1467100
5/21/2018	8.85	9.1	8.11	8.28	8.28	806500
5/22/2018	8.06	8.5	7.84	7.85	7.85	617100
5/23/2018	7.78	8.05	7.5	7.89	7.89	633800
5/24/2018	7.79	7.88	7.6	7.79	7.79	327600
5/25/2018	7.73	7.76	7.55	7.59	7.59	224400
5/29/2018	7.53	7.56	7	7.08	7.08	516300
5/30/2018	7.08	7.15	6.82	6.97	6.97	409100
5/31/2018	6.97	7.11	6.82	6.98	6.98	238100
6/1/2018	6.93	7.7	6.93	7.39	7.39	1010600
6/4/2018	7.59	8.15	7.5	7.73	7.73	689000
6/5/2018	7.73	8.03	7.61	7.8	7.8	298300

6/6/2018	7.79	8	7.75	7.78	7.78	325700
6/7/2018	7.71	7.92	7.5	7.65	7.65	220400
6/8/2018	7.61	7.875	7.41	7.71	7.71	188500
6/11/2018	7.61	7.68	7.2	7.44	7.44	336000
6/12/2018	7.5	7.745	7.35	7.36	7.36	245300
6/13/2018	7.31	7.474	7.21	7.26	7.26	232700
6/14/2018	7.25	7.7	7.25	7.54	7.54	283300
6/15/2018	7.41	7.57	7.26	7.4	7.4	248200
6/18/2018	7.26	7.52	7.26	7.38	7.38	214100
6/19/2018	7.33	7.48	7.16	7.32	7.32	163400
6/20/2018	7.23	7.6	7.22	7.35	7.35	245900
6/21/2018	7.67	7.75	7.01	7.27	7.27	426600
6/22/2018	7.15	7.239	6.82	6.88	6.88	539100
6/25/2018	6.8	6.85	6.41	6.57	6.57	509400
6/26/2018	6.58	7.11	6.54	6.8	6.8	343600
6/27/2018	6.8	6.93	6.53	6.59	6.59	226700
6/28/2018	6.55	6.72	6.381	6.56	6.56	239000
6/29/2018	6.65	6.75	6.28	6.34	6.34	316800
7/2/2018	6.28	6.88	6.28	6.38	6.38	482000
7/3/2018	6.46	6.489	6.111	6.25	6.25	272800
7/5/2018	6.28	6.399	6	6.01	6.01	510700
7/6/2018	6.01	6.08	5.036	5.15	5.15	1242000
7/9/2018	5.29	5.29	4.8	4.865	4.865	902300
7/10/2018	4.92	4.945	4.49	4.65	4.65	779700
7/11/2018	4.55	4.9	4.41	4.68	4.68	490400
7/12/2018	4.73	4.807	4.47	4.57	4.57	295900
7/13/2018	4.6	4.799	4.43	4.66	4.66	237100
7/16/2018	4.64	4.789	4.55	4.57	4.57	200400
7/17/2018	4.6	6.6	4.57	6.29	6.29	8344400
7/18/2018	6.13	6.46	5.6	5.73	5.73	5603600
7/19/2018	5.77	6.3	5.77	6.07	6.07	2385000
7/20/2018	6.06	6.64	5.81	5.9	5.9	2510500
7/23/2018	6.29	6.7	6.07	6.59	6.59	3070500
7/24/2018	7.59	8.555	7.15	8.4	8.4	13595300

7/25/2018	7.88	8.27	7.38	7.98	7.98	3911300
7/26/2018	7.92	8.18	7.8	7.9	7.9	1115200
7/27/2018	7.49	7.81	7.03	7.59	7.59	2144400
7/30/2018	7.6	7.64	7.17	7.62	7.62	870400
7/31/2018	7.37	7.52	6.46	6.49	6.49	1569000
8/1/2018	6.68	6.68	6.3	6.43	6.43	760000
8/2/2018	6.33	6.8	6.3	6.79	6.79	1270700
8/3/2018	6.33	7.17	6.33	6.83	6.83	1245100
8/6/2018	6.81	6.97	6.52	6.8	6.8	564300
8/7/2018	7.15	7.15	6.861	6.93	6.93	643900
8/8/2018	6.63	6.8	6.553	6.73	6.73	612500
8/9/2018	6.6	7.05	6.6	6.8	6.8	504100
8/10/2018	6.87	7.3	6.8	6.96	6.96	762400
8/13/2018	6.88	6.949	6.63	6.71	6.71	385100
8/14/2018	6.65	6.94	6.61	6.65	6.65	341300
8/15/2018	6.5	6.63	5.34	5.35	5.35	1468300
8/16/2018	5.07	5.53	4.76	5.39	5.39	1032300
8/17/2018	5.51	5.59	5.3	5.37	5.37	255900
8/20/2018	5.36	5.45	4.95	5.31	5.31	425100
8/21/2018	5.34	5.45	5.22	5.31	5.31	366100
8/22/2018	5.36	5.88	5.36	5.63	5.63	604600
8/23/2018	5.63	5.69	5.45	5.47	5.47	390200
8/24/2018	5.43	5.73	5.4	5.5	5.5	330500
8/27/2018	5.63	6.07	5.55	5.76	5.76	980900
8/28/2018	6.18	6.47	6.01	6.31	6.31	1369300
8/29/2018	6.43	6.437	6.05	6.22	6.22	508400
8/30/2018	6.1	6.25	5.94	6.1	6.1	365000
8/31/2018	6.07	6.439	6.05	6.3	6.3	412400
9/4/2018	6.54	6.79	6.13	6.19	6.19	871300
9/5/2018	6.05	6.05	5.57	5.71	5.71	558900
9/6/2018	5.74	5.8	5.56	5.68	5.68	285800

EXHIBIT I

EXHIBIT I

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**UNITED STATES
 SECURITIES AND EXCHANGE COMMISSION
 Washington, D.C. 20549**

FORM 10-K

☒ **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the fiscal year ended December 31, 2017

or

☐ **TRANSITION REPORT UNDER SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from to

Commission file number 001-33675

**RIOT BLOCKCHAIN,
 INC.**

(Exact name of registrant as specified in
 its charter)

Nevada

(State or other jurisdiction of Incorporation or organization)

84-155336

(I.R.S. Employer Identification No.)

202 6th Street, Suite 401

Castle Rock, CO

(Address of principal executive offices)

80104

(Zip Code)

Registrant's telephone number, including area code **(303) 794-2000**

Securities registered under Section 12(b) of the Exchange Act:

Common Stock no par value per share

(Title of class)

The NASDAQ Stock Market LLC

(Name of each exchange on which registered)

Securities registered pursuant to Section 12(g) of the Exchange Act: None.

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act Yes

☐ No ☒

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or 15(d) of the Act. Yes ☐ No

☒

Note - Checking the box above will not relieve any registrant required to file reports pursuant to Section 13 or 15(d) of the Exchange Act from their obligations under those Sections.

Indicate by check mark whether the registrant (1) filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was

RIOT BLOCKCHAIN, INC.

As used in this Annual Report on Form 10-K, the terms "we", "us", "our", the "Company", "Riot Blockchain, Inc." and "RIOT" mean Riot Blockchain, Inc. and its consolidated subsidiaries, unless otherwise indicated.

FORWARD-LOOKING STATEMENTS

This Annual Report on Form 10-K and other written and oral statements made from time to time by us may contain so-called "forward-looking statements," all of which are subject to risks and uncertainties. Forward-looking statements can be identified by the use of words such as "expects," "anticipates," "plans," "will," "should," "could," "forecasts," "projects," "intends," "estimates," and other words of similar meaning. One can identify them by the fact that they do not relate strictly to historical or current facts. These statements are likely to address our growth strategy, financial results and product and development programs. One must carefully consider any such statement and should understand that many factors could cause actual results to differ from our forward-looking statements. These factors may include inaccurate assumptions and a broad variety of other risks and uncertainties, including some that are known and some that are not. No forward-looking statement can be guaranteed and actual future results may vary materially.

These statements are only predictions and involve known and unknown risks, uncertainties and other factors, including the risks in the section entitled "Risk Factors" and the risks set out below, any of which may cause our or our industry's actual results, levels of activity, performance or achievements to be materially different from any future results, levels of activity, performance or achievements expressed or implied by these forward-looking statements. These risks include, by way of example and not in limitation:

- The uncertainty of profitability;
- High volatility in the value attributable to our business model and assets;
- Rapid change in the regulatory and legal environment in which we operate with many unknown future challenges to operating our business in a lawful manner or which will require our business or the businesses in which we invest to be subjected to added costs and/or uncertainty regarding the ability to operate;
- Risks related to failure to obtain adequate financing on a timely basis and on acceptable terms; and
- Other risks and uncertainties related to our business plan and business strategy.

This list is not an exhaustive list of the factors that may affect any of our forward-looking statements. These and other factors should be considered carefully and readers should not place undue reliance on our forward-looking statements. Forward looking statements are made based on management's beliefs, estimates and opinions on the date the statements are made and we undertake no obligation to update forward-looking statements if these beliefs, estimates and opinions or other circumstances should change, except as may be required under applicable law. We cannot guarantee future results, levels of activity, performance or achievements.

INDUSTRY AND MARKET DATA

Information regarding market and industry statistics contained in this Annual Report on Form 10-K has been obtained from industry and other publications that we believe to be reliable, but that are not produced for purposes of securities filings. We have not independently verified any market, industry or similar data presented in this Annual Report and cannot assure you of its accuracy or completeness. Further, we have not reviewed or included data from all sources. Forecasts and other forward-looking information obtained from third-party sources are subject to the same qualifications and the additional uncertainties accompanying any estimates of future market size, revenue and market acceptance of products and services. As a result, investors should not place undue reliance on any such forecasts and other forward-looking information.

PART I

ITEM 1. BUSINESS

Overview

Distributed blockchain technology is a decentralized and encrypted ledger that is designed to offer a secure, efficient, verifiable and permanent way of storing records and other information without the need for intermediaries. Digital cryptocurrencies serve multiple purposes. They can serve as a medium of exchange, store of value or unit of account. Examples of cryptocurrencies include: Bitcoin, Bitcoin Cash and Litecoin. Blockchain technologies are being evaluated for a multitude of industries due to the belief in their ability to have a significant impact in many areas of business, finance, information management and governance

Cryptocurrencies are decentralized digital currencies that enable near instantaneous transfers. Transactions occur via an open source, cryptographic protocol platform which uses peer-to-peer technology to operate with no central authority. The network is an online, peer-to-peer network that hosts the public transaction ledger, known as the blockchain, and each cryptocurrency is associated with a source code that comprises the basis for the cryptographic and algorithmic protocols governing the blockchain. In a cryptocurrency network, every peer has its own copy of the blockchain, which contains records of every historical transaction - effectively containing records of all account balances. Each account is identified solely by its unique public key (making it effectively anonymous) and is secured with its associated private key (kept secret, like a password). The combination of private and public cryptographic keys constitutes a secure digital identity in the form of a digital signature, providing strong control of ownership.

No single entity owns or operates the network. The infrastructure is collectively maintained by a decentralized user base. As the network is decentralized, it does not rely on either governmental authorities or financial institutions to create, transmit or determine the value of the currency units. Rather, the value is determined by market factors, supply of and demand for the units, the prices being set in transfers by mutual agreement or barter among transacting parties, as well as the number of merchants that may accept the cryptocurrency. Since transfers do not require involvement of intermediaries or third parties, there are currently little or no transaction costs in direct peer-to-peer transactions. Units of cryptocurrency can be converted to fiat currencies, such as the US dollar, at rates determined on various exchanges, such as Coinsquare in Canada, Coinbase, Bitsquare, Bitstamp and others. Cryptocurrency prices are quoted on various exchanges and fluctuate with extreme volatility.

We believe cryptocurrencies can offer many advantages over traditional, fiat currencies, although many of these factors also present potential disadvantages and may introduce additional risks, including:

- Acting as a fraud deterrent, as cryptocurrencies are digital and cannot be counterfeited or reversed arbitrarily by a sender;
- Immediate settlement;
- Elimination of counterparty risk;
- No trusted intermediary required;
- Lower fees;
- Identity theft prevention;
- Accessible by everyone;
- Transactions are verified and protected through a confirmation process, which prevents the problem of double spending;
- Decentralized – no central authority (government or financial institution); and
- Recognized universally and not bound by government imposed or market exchange rates.

However, cryptocurrencies may not provide all of the benefits they purport to offer at all or at any time.

Bitcoin was first introduced in 2008. Bitcoin is a consensus network that enables a new payment system and a completely digital money. It is the first decentralized peer-to-peer payment network that is powered by its users with no central authority or middlemen. From a user perspective, we believe Bitcoin can be viewed as cash for the Internet. The Bitcoin network shares a public ledger called the "blockchain". This ledger contains every transaction ever processed, allowing a user's computer to verify the validity of each transaction. The authenticity of each transaction is protected by digital signatures corresponding to the sending addresses, allowing all users to have full control over sending bitcoins from their own Bitcoin addresses. In addition, anyone can process transactions using the computing power of specialized hardware and earn a reward in bitcoins for this service. This is often called "mining".

As with many new and emerging technologies, there are potentially significant risks. Businesses (including the Company) which are seeking to develop, promote, adopt, transact or rely upon blockchain technologies and cryptocurrencies have no track record and operate within an untested new environment. These risks are not only related to the businesses the Company pursues, but the sector and industry as a whole, as well as the entirety of the concept behind blockchain and cryptocurrency as value. Factors such as access to computer processing capacity, interconnectivity, electricity cost, environmental factors (such as cooling capacity) and location play an important role in "mining," which is the term for using the specialized computers in connection with the blockchain for the creation of new units of cryptocurrency.

The Company, since late 2017, has directed its efforts towards blockchain and cryptocurrency businesses. Specifically, the Company has begun to enter businesses involving cryptocurrencies and intends, in the near, future, to consider entering and evolving businesses related to these types of cryptocurrencies. This strategy represents a departure from the Company's historical mission following several failed efforts to obtain regulatory approval for new drugs and the manufacture and distribution of specialized medical equipment. The Company experienced large accumulated losses from those efforts and determined to control expenses and seek to curtail ongoing losses expected from those efforts which were effectively ended after a new management team and board of directors joined the Company during 2017 and early 2018.

New Business Initiative in Blockchain and Cryptocurrency Mining.

The Company is building a cryptocurrency mining operation, operating specialized computers (also known as "miners") that generate cryptocurrency (primarily Bitcoin). As of December 31, 2017, the Company owned 1,200 miners acquired with the Kairos Global Technology, Inc., ("Kairos") acquisition in November 2017. During February 2018 in two separate transactions the Company acquired an additional 6,800 miners bringing the total miners owned to 8,000. During February 2018, Kairos entered into a lease agreement for approximately a 107,000-square foot facility in Oklahoma City, Oklahoma, which included data center improvements. Upon the execution of the facility lease the Company began consolidating all of its miners at the data center facility. As of March 31, 2018, approximately 3,500 of the miners were installed and operating.

The Company utilizes specialized servers manufactured by Bitmain. Many of these servers are in short supply and the cost of acquisition of servers especially in large quantities, when available, varies widely. The Company has acquired all of its servers from third parties, some of whom were shareholders in the Company as well, and certain of the acquisitions have included access to operating facilities, support and related equipment for which the Company has paid a premium over the listed retail cost from the manufacturers. The Company's current facility in Oklahoma was obtained as part of its overall transaction with Prive. It is expected that this shortage condition may continue and that in order to continue to grow the Company may need to continue to source mining equipment that may become available from third parties. We participate in mining pools wherein groups of miners associate to pool resources and earn cryptocurrency together allocated to each miner according to the "hashing" capacity they contribute to the pool. As it relates to Bitcoin, the hash rate is the speed at which a computer is completing an operation in the Bitcoin code, and hashing capacity would be a miner's total output. A higher hash rate increases the opportunity of solving the next block and receiving the mining reward. Mining pools were established to help limit the variance involved with competing to solve blocks. As more and more miners competed for the limited supply of blocks, individuals found that they were working for months without finding a block and receiving any reward for their mining efforts. To address this variance, miners started organizing into pools to share mining rewards more evenly on a pro rata basis based on total hashing capacity contributed to the mining pool.

In addition to mining, we are seeking to pursue our diversified blockchain and cryptocurrency focused strategy, in part through targeted investments in, and acquisitions of, businesses and assets within the blockchain ecosystem. As of December 31, 2017, we owned approximately 12.9% of goNumerical Ltd., (d/b/a "Coinsquare") which operates a leading Canadian exchange for purchasing and selling cryptocurrencies. We also invested \$200,000 in a convertible note of

Verady, LLC, which seeks to provide accounting, audit and verification services for blockchain based assets such as cryptocurrencies. We also own approximately 52% of Tess Inc., ("Tess") which is developing TessPay and other blockchain solutions for telecommunications companies. TessPay is a payments ecosystem for component and sub-component supply chain settlements (payments). Subsequent to December 31, 2017, we formed Digital Green Energy Corp., a wholly owned subsidiary, which is seeking to identify environmentally friendly projects with large energy capacity and a cost-effective rate for energy for cryptocurrency mining operations and data center projects.

EXHIBIT J

EXHIBIT J

**Comparison of the Price of Bitcoin versus Riot Blockchain Stock
from April 20, 2017 to September 6, 2018 (the alleged Class Period)**



EXHIBIT K

EXHIBIT K

EX-99.1 2 ex99x1.htm EXHIBIT 99.1

Exhibit 99.1

Riot Blockchain, Inc. Press Release

SEC Terminates its Section 8(e) Examination and Riot Announces Board Changes

CASTLE ROCK, Colo., October 23, 2018 — Riot Blockchain, Inc. (NASDAQ: RIOT) (the “Company”), an industry leader in Blockchain technology and cryptocurrency mining today announced the termination of the Securities and Exchange Commission (“SEC”) Examination previously reported by the Company earlier this year and changes to its Board of Directors (the “Board”).

Termination of Securities and Exchange Commission Examination

The Company announced today that it has received written notification from the SEC that the SEC has terminated its examination under Section 8(e) of certain of the Company’s registration statements, which the Company had previously announced earlier this year. The previously disclosed separate SEC investigation associated with the subpoena received April 9, 2018 is still ongoing, and the Company has been cooperating with the SEC in that investigation.

Changes to Board of Directors

The Company today also announced the appointment of Mr. Benjamin Yi to the Board, where he will serve as chairman of the Company’s Audit Committee and chairman of the Investment and Strategy Committee. The Company is pleased to announce the appointment of Mr. Yi, who is a CFA charter holder and holds a Master of Finance degree from the Rotman School of Management at the University of Toronto, to the Board, as he brings over a decade of dedicated financial markets experience to the Company, and will leverage his expertise in capital markets and corporate development to continue to drive the growth of the Company. Mr. Yi previously served as an independent director of PetroMaroc Corporation plc, as a member of the board and as a member of the Audit Committee of Android Industries, LLC, and as an independent director and member of the Audit Committee of Woulfe Mining Corporation where he also served as the chairman of the Audit Committee for a period of time.

The Company today notes the resignation of Mr. Andrew Kaplan from the Board and his resignation from his position as chairman of the Investment and Strategy Committee and as chairman of the Nominating and Corporate Governance Committee, effective as of October 22, 2018. Mr. Kaplan’s resignation from the Board is by mutual agreement between Mr. Kaplan and the Company and is not due to any disagreement with the Company.

About Riot Blockchain

Riot Blockchain is focused on building, operating, and supporting blockchain technologies. Its primary operations consist of cryptocurrency mining, targeted development of exchange and mining pool platforms, along with other investments within the sector. For more information, visit <http://www.RiotBlockchain.com/>.

Investor Notice

Investing in our securities involves a high degree of risk. Before making an investment decision, you should carefully consider the risks, uncertainties and forward-looking statements described under “Risk Factors” in Item 1A of our most recent Form 10-Q for the period ended June 30, 2018 filed with the SEC on August 14, 2018 and in Item 1A of our most recent Annual Report on Form 10-K for the fiscal year ended December 31, 2017 filed with the SEC on April 17, 2018, as amended as of April 30, 2018 and June 29, 2018. If any of these risks were to occur, our business, financial condition or results of operations would likely suffer. In that event, the value of our securities could decline, and you could lose part or all of your investment. The risks and uncertainties we describe are not the only ones facing us. Additional risks not presently known to us or that we currently deem immaterial may also impair our business operations. In addition, our past financial performance may not be a reliable indicator of future performance, and historical trends should not be used to anticipate results in the future. See “Safe Harbor” below.

Safe Harbor

The information provided in this press release may include forward-looking statements relating to future events or the future financial performance of the Company. The Private Securities Litigation Reform Act of 1995 has established that these statements qualify for safe harbors from liability. Because such statements are subject to risks and uncertainties, actual results may differ materially from those expressed or implied by such forward-looking statements. Words such as “anticipates,” “plans,” “expects,” “intends,” “will,” “potential,” “hope” and similar expressions are intended to identify forward-looking statements. These forward-looking statements are based upon current expectations of the Company and involve assumptions that may never materialize or may prove to be incorrect. Actual results and the timing of events could differ materially from those anticipated in such forward-looking statements as a result of various risks and uncertainties. Detailed information regarding factors that may cause actual results to differ materially from the results expressed or implied by statements in this press release relating to the Company may be found in the Company’s periodic filings with the Securities and Exchange Commission, including the factors described in the sections entitled “Risk Factors”, copies of which may be obtained from the SEC’s website at <https://www.sec.gov/>. The parties do not undertake any obligation to update forward-looking statements contained in this press release.

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EXHIBIT L

EXHIBIT L



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Barry Honig and Three Other Defendants Settle with SEC in Market Manipulation Case

Litigation Release No. 24529 / July 12, 2019

Securities and Exchange Commission v. Barry Honig, et al., 18
Civ. 08175 (S.D.N.Y. filed September 7, 2018)

The Securities and Exchange Commission obtained partial consent judgments against defendants Barry Honig and GRQ Consultants, Inc. ("GRQ") on July 10, 2019, and against defendants Elliot Maza and Brian Keller on March 27, 2019 and March 29, 2019, respectively, in an ongoing civil action in which the SEC alleges that numerous individuals and associated entities participated in microcap schemes that generated over \$27 million from unlawful stock sales.

According to the SEC's complaint, [filed last September](#) and [amended on March 8th](#), Honig was the "primary strategist" in each of the schemes. The complaint further alleges that Maza and Keller participated in a fraudulent scheme with Honig, GRQ, and other members of an investor group with respect to a public company of which Maza and Keller were officers.

The SEC's complaint charges Honig, GRQ, Maza, and Keller with violating the antifraud provisions of Section 17(a) of the Securities Act of 1933 ("Securities Act") and Section 10(b) of the Securities Exchange Act of 1934 ("Exchange Act") and Rule 10b-5 thereunder. Keller is also charged with aiding and abetting violations of Securities Act Section 17(a) and Exchange Act Section 10(b) and Rule 10b-5 thereunder. The complaint further charges Honig with violating the manipulative trading provisions of Exchange Act Sections 9(a)(1) and (2), and the registration provisions of Securities Act Sections 5(a) and (c). Finally, the complaint charges Honig and GRQ with violating the reporting provisions of Exchange Act Section 13(d) and Rule 13d-1(a) thereunder, and Maza and Keller with aiding and abetting violations of the reporting provisions of Section 15(d) of the Exchange Act and Rule 15d-1 thereunder.

Without admitting or denying the SEC's allegations, Honig, GRQ, Maza, and Keller consented to bifurcated settlements under which they will be enjoined from violating these provisions. Honig, GRQ, and Keller also consented to penny stock bars. Honig and GRQ further consented to conduct-based injunctions. The settlements, which were entered by the court, reserve the issues of any additional remedies, including disgorgement, prejudgment interest, and civil penalties, for further determination by the court upon motion of the SEC.

For further information, see [Press Release No. 2018-182](#), September 7, 2018, [Litigation Release No. 24262](#), September 7, 2018 and [Litigation Release No. 24431](#), March 22, 2019.

Modified: July 12, 2019

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